

**Amendments to the Specification:**

Please replace paragraph [001] with the following amended paragraph:

[001] The [[Systematic Expansion of Leveraged Financing]] method[[, hereinafter (SELF) , uses five unique mechanisms to define an accelerated loan payment program that precisely calculates each extra payment amount and extra payment date of future extra payments made to debt(s) targeted for accelerated pay off. A floating payment method calculates unfixed payment amounts paid on the dates calculated to be affordable to the current budget. The method realizes significantly greater hard profits on the front end than programs featuring total interest costs savings provided on the back end]] reduces the repayment time of a loan by calculating a series of extra payments that are not fixed payment amounts and are not paid on dates that are periodic to the principal of a loan. The method applies derivative re-structuring of the user's fiscal environment to calculate the unfixed floating payments on a hourly basis and summarized at the end of each day.

Please replace paragraph [002] with the following amended paragraph:

[002] Prior art [[Cross]] reference list [[o related applications]]

Patent Number	Date	Name
3634669	Jan., 1972	Soumas.
3697693	Oct., 1972	Deschenes.
4334270	Jun., 1982	Towers.
4346442	Aug., 1982	Musmanno.
4376978	Mar., 1983	Musmanno.
4597046	Jun., 1986	Musmanno.
4642767	Feb., 1987	Lerner.
4722055	Jan., 1988	Roberts.
4742457	May., 1988	Leon.

4752877	Jun., 1988	Musmanno.
4774663	Sep., 1988	Musmanno.
4739478	Apr., 1988	Roberts et al.
5058009	Oct., 1991	Yoshino et al.
5673402	Sep., 1997	Ryan et al.
5689649	Nov., 1997	Altman et al.
5878404	Mar., 1999	Stout, Jr. et al.
6269347	Jul., 20001	Berger
<u>20060064366</u>	<u>Mar., 2006</u>	<u>Smith</u>
<u>20020123949</u>	<u>Sep., 2002</u>	<u>VanLeeuwen</u>

Please replace paragraph [003] with the following amended paragraph:

[003] Terminology [[to understanding the details of]] unique to the invention.

1. Cash Flow Leveraging Mechanism is a receptacle used by the user to collect, store, add to, distribute and pay from and distribute the user's gross income however,

a) At least one instance of prior art reference from paragraph 002 teaches cash holding or cash infusion accounts or similar having a limit or ceiling that restricts distribution of income to up to and not beyond those set limits or ceiling whereas the Cash Flow Leveraging Mechanism is allowed to transact day to day to make extra payments to the loan only when the limit or ceiling has been exceeded.

b) At least one instance of prior art reference from paragraph 002 teaches cash holding or cash infusion accounts or similar as being an account or mechanism that is distinct and separate from the user's general income receiving, storage and expense paying account whereas the Cash Flow Leveraging Mechanism is required to be the only income receiving and expensing account used by the user.

c) At least one instance of prior art reference from paragraph 002 teaches that cash holding or cash infusion accounts or similar are pre-funded or funded accounts whereas the Cash Flow Leveraging Mechanism is unfunded during the initial stages of the implementation of the invention.

d) At least one instance of prior art reference from paragraph 002 teaches that cash holding or cash infusion accounts or similar as being limited to instruments such as revolving credit or home equity line account or other debt instrument whereas the Cash Flow Leveraging Mechanism can be either one or any combination of any two or more or all of the aforementioned instruments cash holding or cash infusion accounts as well as cash.

## 2. The Floating Payment Format.

The Floating Payment Format calculates varying current payment amounts available to pay to the user's loan occurring on those dates at those times during the time period defined by the user's chronological list by using the Cash Flow Leveraging Mechanism in the manner as follows:

If  $A(0)$  = is the amount of the funds defined and accumulated by the user in the by Cash Flow Leveraging Mechanism on that starting date and time called 0;

If  $d$  = is the current date of the calculated payment occurrence within the user's accounting period and  $d1$  is the starting date + 1 day and  $d2$  is the starting date + 2 day and so on;

If  $i(d1...d)$  = is the sum total of the user's bankable income from date 1 to payment occurrence on future date  $d$ ;

If  $e(d1...d)$  = is the sum total of the user's expenses from date 1 to payment occurrence on future date  $d$ ;

If  $R(d)$  = is the cash amount available for payment to the user's loan on date  $d$ ;

If  $a$  = is a user defined percentage up to 100% of the cash held in the Cash Flow Leveraging Mechanism;

Then, utilizing the above symbols to illustrate how the daily balance of the Cash Flow Leveraging Mechanism on day  $d$  is calculated by  $A(0) + i(1...d) - e(1...d) = R(d)$ ;

Then, on those dates  $d$  where  $A(0) > R(d)$ , the floating payment formula stops the calculations and does not provide an extra payment amount to the loan however, if on those dates where  $(A(0) \leq R(d))$ , then the floating payment formula continues;

Then  $(R(d) - A(0)) + A(0)a$  is the amount available for payment to the loan principal on date  $d$ .

[[Definition List 1

Term	Definition
Accelerated loan payment, repayment method	Any method that adds payments to a loan contract for the purpose of paying off the loan ahead of the contracted retirement date.
Back End	The time when profits are realized in comparison to the start (front end) or end (back end) of a contract or program.
Biweekly, bimonthly	Also monthly, quarterly, semiannual, annually intervals used to schedule loan payments on a consistent and recurring basis
Cash Allocation Account, checking account, bill payment account, cash distribution account	Any account or device that temporarily holds funds allocated for expenses then makes payments to those expenses as it becomes payable or due.
Cash Income Account, income, earnings	Any source of income that increases the net balance of a budget.
Client Data	Past, present and projected budget information.
Cash Augmenting Account, leveraged financing mechanism, cash reserve account, cash leveraging account, leveraging account	Any bank or bank like product or service that is able to hold a cash reserve, allows funds to be paid into or out of the account, allows transactions to occur as needed by a client, allows electronic draw or payments and does not limit the number of transactions.
Expansion	Continual growth.
Extra payments	The added payment amounts that are not part of the loan contract but used to accelerate loan payment.
Financing	To pay for, arrange to pay for or cover costs.

**Front End** The time when profits are realized in comparison to the start (front end) or end (back end) of a contract or program.

**Leveraged** The use of a device or mechanism that amplifies efforts.

**Principal only payments** The extra payments that are a payment with specific instructions to the loan service agent that the amount not have any portion credited to interest but the entire amount be applied to any remaining balance of the loan principal.

**Profit** The cash amount in excess of expenses.

**Savings** The potential.

**Systematic** Routine, logical, efficient, organized or methodical.

**P\*Target Debt, target loan, target** Any installment type loan that will apply, is applying or has applied an accelerated loan payment method.]]